

Revitalization Strategy

The revitalization strategy that is proposed here is to build upon the opportunities that will arise due to the incubator without completely abandoning the concept of retail revitalization. Instead, the revitalization concept needs to be reoriented to include shops and services that have natural affinity to incubator activities. In addition, a more conscientious effort should be made to further develop the professional office sector, one of the two sectors in Essex that have shown resilience on their own. The other successful sector is the food service sector; a way should be sought to bring this sector somehow in line with incubator activities. Finally, strategies for physical improvements need to be balanced with strategies for business development. The incubator would make a beginning in this area for industries. Parallel efforts should be extended to commercial enterprises in the CBD.

The discussion to follow maps out the structure of the recommended revised revitalization strategy. This begins first with a description of the incubator concept and proposed plan. The discussion then turns to a statement of the revised revitalization strategy. This is followed by the example of a farmers market, as one possible use with linkages to the incubator; others are also reviewed. In the concluding section, other project opportunities and unfinished improvements in the extended area will be cited, and a general overview statement of policies and implementation issues will be presented.

The Planned Business Incubator

The concept of the business incubator for Essex sprang from two opportunities that arose within the last few years. The first was the desire on the part of the County to undertake job-creating capital investments within the County economic development program. The other was

the presence of the occupational training center in Essex, which was preparing workers for careers but was facing limited opportunities for placing them, as the area's major employers -- such as Bethlehem Steel and Martin Marietta -- were laying off employees.

The purpose of the incubator would be to provide physical facilities, and technical and business development assistance, to small start-up firms. Thus, the incubator would provide employment opportunities (jobs) for newly trained workers under the County program, as well as promoting business development in the Essex area and assisting workers displaced from area industries in starting their own businesses. Space would be leased to qualifying firms at below market rates. The idea is to help provide support for new firms to enable them to move out into market rate space as soon as possible as self-sufficient businesses, thus increasing the success rate of start-up businesses in the area. There would be direct access to business counseling and services. Counseling and services would be made available to firms in the community, as well. An on-site manager would oversee operations.

The incubator is to be targeted toward low tech product-oriented enterprises. These businesses would be producing or servicing a physical product rather than providing a professional service. The incubator would provide jobs that match the skills and occupational profiles of the Essex area and career center graduates. An effort will be made to avoid placing too many other constraints on tenants, in order to provide wider opportunities to the community and to avoid slowing lease-up of incubator space. It has been decided to prohibit automotive repair, although it is a predominant service in Essex, primarily because of its extensive space requirements and nuisance characteristics (e.g., noise). Maritime operations in the vicinity also are predominantly engine repair and servicing and would be excluded on that basis. The incubator space would

not be used for retail activities, although related retail may be included in a high-visibility section of the building (see below).

Incubator Facilities in Essex

If acquisition at a reasonable cost is possible, the long-vacant A&P store at 509 Eastern Avenue would house the incubator. This would achieve a number of desired objectives: close proximity to the career center and other government services; central location in Essex; effective adaptive re-use of the vacant space; and heightened level of activity and attention upon revitalization in Essex. The incubator would occupy the 21,300 square foot ground level section of the large commercial structure that spans the blockface at 501 to 515 Eastern Avenue. The ground floor opens upon the rear parking lot; the Eastern Avenue retail frontage is actually the second floor of the structure. The incubator floor space would include a 9,200 square foot central section that has a two-story ceiling where a mezzanine could be added at a future date, if appropriate. Steps in the implementation of the project are as follows:

- o The purchase of the entire structure should be investigated. The hope is to secure financing from MILA, of MICRF; both programs have reasonable terms and interest rates and could be available for incubator development. The incubator portion of the building would accommodate 15 to 20 start-up businesses. The rest of the structure could continue in commercial uses.
- o Rents would be pegged at \$4.50 to \$5.00 per square foot for finished space, including shared services, such as secretaries, office equipment and conference rooms. This is substantially below market rates, even excluding services and tenant build-out. Competitive market rates for shell space are \$6.00 per square foot, with finished space going at \$7.00 per square foot. Initial pro formas show that the projected rents should cover operating expenses and debt service, although some subsidy may be required in early years until the space is fully leased.

- o Current zoning of the property is BR, the most general and broadest of the business zones. Within this zone it is permitted to operate laboratories and perform sheet metal work, although not welding. Thus, there should be no exemption of uses for which the incubator is intended, and the business zone allows for the inclusion of a wide range of other activities and services.
- o The activities proposed in this space, as planned, would have a low visibility and would not impact the downtown negatively in their operations. The presence of panel trucks for incubator businesses would be noticeable, but a loading dock and doors on the side are available to minimize the impact. The impact of employee parking would have to be addressed; possibly one of the rear Chertkof lots could be made available. Care will have to be taken that there are not noisy or other nuisance activities that could interfere with upper floor retail.

It should be noted that if the acquisition of the 509 Eastern Avenue property is not possible at a suitable cost, this facility can be established at one of several alternative locations.

Incubator-linked Revitalization Strategy

The presence of the incubator can help generate new activity in the CBD and serve as a catalyst for continued upgrading of the appearance of CBD stores. While it will add employees in the downtown who will contribute to the pool of potential shoppers, however, it will not otherwise stimulate further commercial revitalization unless there is a more direct linkage between the product-oriented incubator and the commercial sector -- as, for example, through the establishment of retail outlets for products made by incubator firms. Some considerations are the following:

- o While the existence of supermarkets on each side of the CBD effectively pre-empts the market support for a supermarket anchor in the CBD, other food product and food service specialties offer an excellent possibility to link production with retail sales. The presence of the bakery and baking supplies store in the same block today attests that such firms should be able to find a market in Essex. Food products made on-premises and offered for sale at a discount should be highly competitive.
- o Food preparation for consumption on-site, or the development of catering operations, are other examples of possible food service activities. Most plans prepared for the CBD have suggested that a potential might exist for more true ethnic restaurants in Essex. Ideally, food products sales and food preparation should be linked to appropriate career programs at the Essex occupational center to be most effective. At present these are not part of the program at this center, and their addition might duplicate programs at other facilities. However, there seems to be no reason why the incubator could not serve other career centers, as well.
- o The concept of an antiques center was presented in the 1976 and 1980 plans, as noted previously. It has been pointed out in the market research, however, that the successful antiques shops in the CBD do not make substantial sales out of the Essex stores but use them as a base for regional operations. Other furniture stores in Essex today tend to be thrift shops for used merchandise.

Thus, Essex has essentially lost the standing it once had as a furniture center. Still, if corresponding programs exist or are contemplated at the career center, woodworking shops and retail outlets could be a possibility. The recent opening of a La-Z-Boy store on Eastern Avenue west of the CBD attests to demand that should still exist for furniture sales in this area.

- o It is likely that many of the firms operating in the incubator will be connected in some fashion with sheet metal work, as this is an occupation or profession of long-standing in the Essex community and would be served by the career center. Ornamental work and metal crafts could be possible ways of linking industrial skills to the development of consumer products to be offered for sale, although prohibition of welding under current zoning might eliminate these as practical considerations.
- o It should be emphasized, too, that the concept of joining retail outlets with the incubator and the career center may itself serve as a catalyst for the broadening of the career center program to include more arts and crafts than might otherwise seem appropriate. Further, the presence of the Baltimore County historical museum and the multi-service government center suggest that the incubator could also serve as a demonstration project for exhibiting Baltimore County industrial arts and crafts, as demonstrated by working firms engaged in production.
- o One final example to be suggested here is that of a farmers market. Options include inside vendors or, as an alternative, seasonal open-air stalls. Drawbacks to an indoor facility are that there may not be adequate space with the incubator, and many of the market operations may not be amenable to direct linkage to the incubator or career center. A summer evening or weekend open air market would have some advantages, including: less parking conflict and even the possibility of using one of the parking lots; a much needed boost to weekend visitation in Essex; and an outlet for food products made off-season by incubator firms.

In general, a farmers market, with its image of low-cost/high-value fresh food and specialty food products, should be competitive in Essex despite the presence of the supermarkets. The example of the Baltimore markets (discussed below) indicate that such markets may involve heavy subsidies; perhaps this could be overcome in a smaller outdoor market in Essex.

- o Renovation of the structure for the incubator also provides opportunities to make structural changes that could have considerable impact on commerce in the CBD. The inclusion of new retail uses in the structure could reenforce commercial growth elsewhere on Eastern Avenue. Further, pedestrian access through the structure could be provided from the rear parking lot to existing and new shops on Eastern Avenue. Such changes could make the structure the focal point of the Essex Business District. (This idea was suggested in earlier plans for the CBD.)